

Community Planning and Development

Brownfields Economic Development Initiative (BEDI)

Competitive grant program designed to assist cities with the redevelopment of abandoned and underused industrial and commercial facilities, where expansion and redevelopment is burdened by real or potential environmental contamination.

Nature of Program: BEDI provides competitive economic development grants to Community Development Block Grant (CDBG) recipients, in connection with notes or other obligations guaranteed under Section 108 of the Housing and Community Development Act of 1974, for the purposes of enhancing either the security of the guaranteed loans or the viability of the projects financed with these Section 108 loans. Grants provide financial assistance for industrial or commercial sites known as brownfields, on which redevelopment is hindered by the presence or potential presence of environmental contamination. BEDI and Section 108 funds must be used in conjunction with the same economic development project. BEDI funds may be used for virtually all activities eligible under the CDBG program, and also in conjunction with other CDBG and Section 108 Loan Guarantee proceeds, and must comply with national objectives and other eligibility requirements.

Applicant Eligibility: CDBG entitlement communities and non-entitlement communities are eligible. A request for a new Section 108 loan guarantee authority must accompany each BEDI application.

Non-entitlement communities, including those in Hawaii, may also apply for and receive grants under the BEDI program. If a non-entitlement community receives a BEDI grant and applies for Section 108 loan guarantee assistance, the applicable state entity (or HUD, in the case of Hawaii) is required to pledge CDBG funds as partial security for the loan guarantee.

Legal Authority: Section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(q)). 24 CFR part 570, Subpart M.

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office.

On the Web: www.hud.gov/offices/cpd/economicdevelopment/programs/bedi/index.cfm

Current Status: The last appropriations were in FY 2010 in the amount of \$17,500,000. Expenditure deadline for those funds is September 30, 2016.